

Comments submitted on
National Animal Identification System Strategic Plan
Texas and Southwestern Cattle Raisers Association
1301 W. Seventh St., Fort Worth, TX 76102
817-332-7064 cbryant@texascattleraisers.org
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I. General Overview – Introduction

Texas and Southwestern Cattle Raisers Association is a 128-year-old trade organization whose 13,000-plus members manage approximately 5.4 million cattle on 70.2 million acres of range and pasture land, primarily in Texas and Oklahoma. TSCRA has carefully read the documents associated with the U.S. Department of Agriculture's request for comments on the National Animal Identification System's strategic plan. We are grateful for USDA's interest in obtaining industry input into a process that will have long-term ramifications for the industry. We wish to make general statements about NAIS, then address specific components of the strategic plan and answer questions published by the Department. We trust USDA will have an appreciation for our sincerity in making these comments.

Mandatory compliance with government animal disease programs is something cattle producers take very seriously. Texas cattle producers have operated under a mandatory brucellosis program for 58 years. The program proved to be extremely contentious as we struggled to comply with it in the early years. A mandatory identification system will likely prove to be much more contentious because the brucellosis program impacts only breeding cattle, whereas a mandatory identification program will impact all producers and the entire national herd.

Livestock owners take mandatory edicts very seriously not only because of the risk of potential penalties and fines, but because their basic nature is to operate by established rules. On the other hand, if livestock owners believe a program lacks credibility because its implementation plan is faulty and unworkable, it will not be taken seriously thus impacting the program's overall effectiveness. Therefore, should NAIS transition from voluntary to mandatory, we urge the Animal and Plant Health Inspection Service to work with producers and their organizations with the goal of assuring the system will properly and efficiently function throughout each stage of such transition. If this crucial objective is not adequately met, TSCRA sincerely fears USDA will lose tremendous credibility with the nation's livestock producers.

It's important to note that a vast number of U.S. beef cattle producers do not have the facilities and abilities to tag a significant portion of the nation's herd. And much of the marketing and handling industries cannot efficiently utilize current Radio Frequency Identification technology to record and report movements of cattle whenever they are commingled with cattle from different premises. We also strongly stress that the infrastructures, systems and practices utilized today allow our cattle to be marketed and processed in efficient, low stress environments. Incorporating the NAIS as currently outlined by USDA will significantly impact those efficiencies. Consequently, implementation of NAIS and the technologies utilized should closely adapt to these infrastructures, systems and practices in order that its impact is negligible. The remainder of our comments will focus on specific components of the strategic plan.

II. Critical Issues

The strategic plan claims that one of the strengths of the NAIS is "broad industry, governmental and stakeholder support for a national animal identification program." The plan states that in listening sessions conducted by APHIS in 2004, 47 people commented on whether a program should be voluntary or mandatory and that by a ratio of 3:1 respondents preferred a mandatory program to a purely voluntary one. Forty-seven respondents is an extremely poor survey upon which to base the claim that there is "broad industry support for a national animal identification program." We note the reference to a

member survey conducted by the National Institute of Animal Agriculture. While NIAA is a respectable professional organization, they are not a mainstream producer organization in the same vein as National Cattlemen's Beef Association, American Farm Bureau Federation, National Pork Producers Council or the hundreds of state animal agriculture organizations. Candidly, we do not feel the farmer's and rancher's perspective is being properly heard on this issue and request USDA do a better job of seeking their input on the NAIS. Moreover, TSCRA believes USDA's NAIS Steering Committee does not have adequate mainstream producer representation, a problem that should be addressed as soon as possible.

III. Transition from Voluntary to Mandatory

Perhaps the most important statement in the strategic plan is "collecting and recording animal movements is the greatest challenge ahead." There are three major reasons this statement is important: 1) current accepted RFID technology is insufficient to scan tags in a majority of livestock handling facilities without creating significant financial hardship to industry participants; 2) many beef cattle will experience significant stress and injury if scanning technology can't adapt to current facility designs that will require longer read ranges; and 3) many situations where livestock are commingled (small fairs, small lot private treaty transactions, livestock used for recreational purposes) are not conducive to collecting and recording movement data. These three issues must be dealt with properly. Otherwise, the NAIS will become a significant economic burden and compliance—short of a major enforcement effort by government—will be limited at best.

TSCRA recommends that USDA consider a transition approach that recognizes two important points: 1) some sectors of the industry, by design, can more easily adapt RFID scanning systems; and 2) from an animal health risk perspective, there is a more immediate need to record movements at some location scenarios than others. Therefore, we recommend the development of a process that identifies and categorizes movement location scenarios and implements the system beginning with the most crucial categories, then progresses to the less crucial from a disease surveillance priority basis.

For example, it makes sense that recording of cattle movements at all state and federally inspected slaughter facilities should be a critical first step for the NAIS. If the system is going to require that commingled animals be tagged by a certain date, then the ability to immediately record movements at slaughter is critical.

Otherwise, cattle will go to slaughter without the system's ability to recognize that an animal's Animal Identification Number needs to be retired. From there, a system could be developed that would recognize other types of location scenarios where movements need to be recorded and develop categories and priorities for implementation. Obviously, a location scenario involving thousands of commingled animals carries a higher risk to the nation's herd than a private treaty transaction involving two cattle belonging to two neighbors. We believe this approach will make NAIS implementation properly focus on first addressing the needs and demands of the nation's high-volume, high-risk location scenarios where the tagging and scanning of livestock poses the greatest challenges. Answers found when addressing these needs will prove very valuable for the other locations scenarios as they also struggle to implement NAIS while giving APHIS the best bang for the buck from a disease surveillance standpoint.

IV. Stakeholder Concerns

The strategic plan suggests four stakeholder concerns for the NAIS – financial, confidentiality, flexibility and liability. TSCRA has participated in numerous local producer meetings on animal identification where significant input has been received. In light of this input, we have the following additional stakeholder concerns to submit to APHIS: need for a privately controlled animal database system to protect confidentiality; need for more efficient and effective data recording technologies; avoidance of a burdensome movement tracking requirement system; an efficient tagging process; a user friendly premises registration system and process; and potential penalties for non compliance.

V. Goals, Key Components and Guiding Principals

A key to reaching the primary goal of the NAIS—“to be able to identify all animals and premises that have had contact with a foreign or domestic animal disease of concern within 48 hours after discovery”—will be to properly address all the stakeholder concerns listed in the previous section. If the NAIS can’t achieve a reasonable level of producer acceptance, the above-mentioned goal will not be met. It remains to be seen if the industry will embrace a system that would allow USDA to “identify all animals and premises.” Such a system will require producers to embrace tremendous change in how they produce, market and process livestock.

If the burden of compliance varies much from what cattle producers are typically accustomed to with other animal disease programs, this goal will be unattainable because some producers will only participate when they believe they “must” or face retribution. Animal health agencies will not have the human resources to force high compliance levels with a system that is not user friendly. The litmus test for determining “user friendliness” will be how well the stakeholder concerns are addressed. Again, the strategic plan is correct when it states in this section “collecting animal movement information might be the most challenging component of the NAIS.” We are encouraged by this admission because we don’t feel the issue has been taken seriously enough in previous discussions on the NAIS.

VI. NAIS Guiding Principals

TSCRA is very appreciative of the plan’s call for guiding principals in the areas of uniformity, flexibility, inclusiveness, cooperation and confidentiality. We also applaud the plan’s call that the NAIS not “unduly increase the size and scope of Federal and State governments.” We strongly believe the approach to meet all of these important principals would be to create a public / private sector partnership that would enhance each other’s strengths. With recent changes in USDA leadership, we believe there is an excellent opportunity to create such a public/private sector partnership. A major strength of the private sector will be the ability to build an animal data management system with multiple applications that allows producers to enhance their management and marketing opportunities. Such a system can efficiently provide APHIS and other animal health authorities with the 48-hour trace back information called for by the NAIS. A industry-built system utilizing and controlling significant data on matters like birth, vaccination records, physical description, health information, genetic information, nutrient intake, etc. will be mammoth compared to the information that will be required for NAIS purposes. Consequently, TSCRA believes the most logical approach will be for industry to build this multiuse system that will allow an animal health agency immediate access for animal disease surveillance purposes. To take the opposite approach and build a large federal database system that industry systems feed will only create an inefficient system that will definitely “unduly increase the size and scope of Federal or State governments.”

Operation of a premises system itself will certainly increase the size and scope of APHIS far beyond their traditional span of animal health responsibilities of the past. We also stress that our experience with the USDA premises registration system and process shows that it appears to be quite cumbersome and will require significant time and resources to allow state animal health agencies to register premises in a timely fashion. Texas alone may have over 200,000 premises to register and maintain. An efficient system to perform this task is a must.

TSCRA agrees that the Freedom of Information Act presents a major concern relative to confidential business information and its potential availability to the public. We agree there is a need for legislation that attempts to protect such information from public access, but we feel strongly that such legislation will not provide a sufficient protection of a producer’s information. Court interpretation of law can often conflict with the intent of Congress thus, in spite of the interest by USDA to draft laws designed to protect producers, such an approach leaves too much chance that producers’ information will still be at risk even with a law designed to provide protection. Consequently, TSCRA strongly believes the only solution to provide the strongest assurance possible that information will be protected from access by the public or other governmental agencies is for animal data to be managed and stored in a private sector

system. Such systems can, and should, be designed to provide USDA and state animal health agencies with unfettered immediate access for disease surveillance purposes.

VII. Timeline

In TSCRA's opinion, project timelines are only as good as the project participant's ability to comply with them. In the case of the NAIS, if stakeholder concerns discussed above are not properly addressed, a timeline for implementation is basically meaningless. TSCRA suggests that any timelines be associated to our suggestion that movement location scenarios be categorized and implemented according to their disease transmission risk levels and only when stakeholder concerns are addressed.

TSCRA does wish to note that the registration of all beef cattle premises in Texas—estimated to be over 150,000—by January 2008 will be a daunting task if some critical issues involving the verification of valid 911 addresses are not resolved. In instances where a producer does not have a valid 911 address or the Texas Animal Health Commission can't verify one, the process of registering such a premises slows to unacceptable timeframes.

VIII. Stages of Development

TSCRA commends APHIS for a thorough description of the various stages of development for the NAIS. Utilizing the same model for monitoring progress for program diseases creates an understandable system that provides states with a "yardstick" to measure progress.

TSCRA is very concerned that state brand inspection authorities are not included in Stage One as a stakeholder. Previous NAIS documents have indicated that state brand inspection programs should be involved in the implementation of the NAIS.

We continue to urge APHIS to amend the strategic plan to ensure that state brand inspection authorities are not only included as stakeholders in the implementation of NAIS, but also become active participants in its implementation.

Specifically, TSCRA believes that state brand inspectors should be utilized in the movement recording process of NAIS. Currently, state brand inspectors conduct inspections of livestock for compliance purposes of state and federal laws. It makes sense to TSCRA that, within their current jurisdictions, a brand inspector's duties could be expanded to verifying that livestock movements have been properly recorded into the NAIS system. Such oversight will be imperative for three main reasons. First, brand inspectors conduct physical inspections of all animals within their jurisdictions, thus it makes sense that they perform the task of verifying that all animals are tagged and their movement at a premises is recorded into the system. Second, the state animal health agencies we are familiar with are operating on limited budgets and will likely not have the resources to hire the additional employees to verify that livestock are tagged and their movements are recorded. Finally, scanning equipment will always be subject to malfunction thus a brand inspector can be easily trained to identify problems and find solutions in short notice. Efficient oversight will prove to be especially crucial at auction markets where any complications need to be addressed in brief timeframes.

IX. NAIS Strategic Plan Questions

TSCRA wishes to submit answers to the following questions published by USDA:

- The Draft Strategic Plan calls for making the entire system mandatory by January 2009. Is a mandatory identification program necessary to achieve a successful animal disease surveillance, monitoring and response system to support Federal animal health programs?

We believe that the development—over time—of the NAIS should provide state and federal animal health authorities with the most successful animal disease surveillance system possible. We do believe the system envisioned by some at APHIS that would record every single movement where cattle are commingled with animals from another premises is unworkable by January 2009. Furthermore, we believe that setting arbitrary dates for such implementation is meaningless until workable solutions can be developed for the dilemmas of tagging, movement scanning, and recording are addressed. Arbitrary dates will likely force industry to use currently approved technology and practices that will place a significant economic burden on industry. Industry and government should work together to develop a system that strives to provide the best surveillance system possible, under either a voluntary or mandatory format.

- In the current Draft Strategic Plan, the NAIS would require that producers be responsible for having their animals identified before the animals move to a premises where they are to be commingled with other animals, such as the sale barn. At what point and how should compliance be ensured? For example, should market managers, fair managers, etc. be responsible for ensuring compliance with this requirement before animals are unloaded at their facility or event?

Because of the need to unload cattle at markets and fairs as expediently as possible, compliance should not be ensured before unloading. Currently at many auction markets the unloading process can cause trailer lines to extend for a mile or more from the facility. Ensuring compliance before unloading will only exaggerate this problem. As mentioned earlier in our comments, we recommend that the burden of compliance does not need to be placed on the market or fair manager in situations where brand inspection authorities having jurisdiction in such situations are available. Brand inspection authorities could possibly be the official entity to verify compliance of movement recording in such situations.

- In regard to cattle, individual identification would be achieved with an AIN tag that would be attached to the animal's left ear. It is acknowledged that some producers do not have the facilities to tag their animals; thus, the Draft Program standards document contains an option for tagging sites which are authorized premises where owners or persons responsible for cattle could have their cattle sent to have AIN tags applied. Do you think this is a viable option or can markets or other locations successfully provide this service to producers who are unable to tag their cattle at their farms?

While the challenge of collecting and recording animal movements may be the greatest one facing the NAIS, tagging beef cattle will pose a challenge that will rival it.

TSCRA believes that a vast number of beef cattle producers do not have the ability to tag cattle due to a lack of facilities to restrain their animals. Millions of cattle run on small farms and ranches and there has never been an economic incentive for these producers to construct such facilities. For decades in the beef cattle industry, the marketing infrastructure has efficiently marketed their cattle in a manner that has allowed the producer to bring a "raw commodity" to market. This raw commodity is in the form of typically an unweaned calf that has not been vaccinated or castrated. The other end of the infrastructure—stocker operations and feedyards—take these raw commodities and process them (vaccinations, castration, etc.) when they take delivery, thus adding value.

Consequently, millions of calves each year are not restrained for the first time until they have left their ranch of origin, gone through an auction market and reached the second phase of their lives (stocker or feeder). If NAIS is implemented as written, an economic burden on the beef cattle industry will not be avoided. This burden will come in the form of additional labor, equipment, and infrastructure, as well as stress and injury to cattle brought on by the requirement to tag cattle prior to commingling.

The important challenge becomes how to tag these cattle in a manner that reduces this burden as much as possible. Unfortunately, TSCRA does not have a silver bullet answer to this challenge. We do wish to make these comments about proposed "tagging sites." First, cattle will be tagged where it makes the most

economical sense. In many situations this likely will be at an auction market. As described above, producers with small herds are accustomed to the marketing infrastructure addressing such needs. However, one simply can't stop at this point and assume all market auctions will be able to accommodate the tagging needs of all producers. All markets are set up to be able to accept cattle and expediently and efficiently market them in a short period of time – as short as two hours. If markets have the resources—mainly capital—to tag cattle, they must be able to retrofit their facilities to accommodate the above-described efficiencies. While some markets can simply build additional alleys and pens to accommodate, many others don't have the flexibility to accommodate such changes because of limitations on how they can expand. Their operation may be in a city or town and not have the physical ability to expand. This situation of basically creating a system of haves and have-nots could lead to problems for producers if economic pressures on the “have-nots” forces them out of business and producers are forced to travel greater distances to market their cattle. The auction market business has experienced consolidation in the last 20 years and NAIS could likely speed more consolidation.

Because tagging will occur where it's most economical does not give us much hope that tagging sites off site of auction markets will be viable. First, an offsite tagging location will mean an extra stop for producers on their way to auction markets which means more costs and stress on cattle. Second, the entity operating the site will have to make a considerable capital investment in technology—hardware and software—and will mostly likely have to be a registered tag distributor in order to sell tags (if not, then producers will have to make prior arrangements to purchase tags which will entail more cost). Such investment may likely require the cost of tagging at such sites uncompetitive if local auction markets have an advantage.

- The current Draft Strategic Plan does not specify how compliance with identification and movement reporting requirements to be achieved when the sale is direct between a buyer and seller (or through their agents). In what manner should compliance with these requirements be achieved? Who should be responsible for meeting these requirements? How can these types of transactions be inputted into the NAIS to obtain the necessary information in the least costly, most efficient manner?

This question raises another major dilemma for the NAIS. TSCRA sees no option other than to trust one or both parties in such transactions to report such movements. However, in states where brand inspection authorities have jurisdiction over such movements, brand inspectors can ensure such movements are recorded into the system. In states where such authorities do not exist we see no other way than to trust the parties in such transactions to report movements. Therefore, we believe that for producers to have “buy-in” and become willing to participate, USDA should adopt systems for movement recording that producers will be most likely to accept and utilize. To this end, we believe that producers will be more likely to be willing to participate and record movement data in a privately held animal data system as opposed to a government owned and managed system.

- USDA suggests that animals should be identified anytime prior to entering commerce or being commingled with animals from other premises. Is this recommendation adequate to achieve timely traceback capabilities to support animal health programs or should a timeframe (age limit) for identifying the animals be considered?

We find this question perplexing because if USDA is interested in being able to trace diseases, we assume they would want animals of any age that are commingled to be identified. In the beef industry, calves can be weaned at early ages and are commingled with animals from different premises. Consequently, we assume such cattle would need to be identified and their movements recorded in the system.

- Are the timelines for implementing the NAIS, as discussed in the Draft Strategic Plan, realistic, too aggressive (i.e. allow too little time) or not aggressive enough?

From the perspective of the need to implement a NAIS that will effectively work without causing major economic disruption to the industry, the implementation timeline will be too aggressive if stakeholder concerns identified earlier in this document are not properly addressed. We understand that there is a concern that NAIS is not being implemented fast enough, but implementing a poorly developed plan will result in producers not complying and basically ignoring plan requirements. We continue to caution USDA to implement the plan as the stakeholder concerns are properly addressed.

- Should requirements for all species be implemented within the same timelines or should some flexibility be allowed?

TSCRA does not have a position on when the plan should be implemented for pork, poultry, sheep and goat or other food animals. However, we do caution USDA from implementing the plan for horses at the same time for beef cattle. Moreover, we believe the agency should proceed cautiously before implementing the same type of system for horses relative to movement recording. Many horses used on ranches as well as performance horses are moved to and from various premises at very high rates of frequency and compliance with such a system will be basically impossible to accomplish. Whereas the average beef animal may move on and off approximately six premises in their lifetimes, this number can easily run into the hundreds during the lifespan of many horses, thus making movement recording a monumental task.

- What are the most cost-effective and efficient ways for submitting information to the database (entered via the internet, file transfer from a herd management computer system, mail, phone, third party submission of data)? Does the type of entity (e.g. producer, market, slaughterhouse), the size of the entity, or other factors make some methods for information submission more or less practical, costly or efficient?

The type, size and other factors of the entity in question definitely makes some methods more practical and efficient. While technology is increasingly embraced by small scale cattle producers there continue to be barriers to their ability to utilize tools like the internet and file transfer to submit movement records. Issues like the availability of power at remote locations, slow or poor Internet connectivity, and other matters will make it difficult for small scale producers in many environments to utilize the more technological methods of data submission. Consequently, the other methods outlined in the question will be more appropriate.

- We are aware that many producers are concerned about the confidentiality of the information collected in the NAIS. Given the information identified in the draft documents, what specific information do you believe should be protected from disclosure and why?

TSCRA believes that all producer information should receive protection from disclosure. We believe that all available measures should be taken to protect confidentiality of producers' information. First, we believe legislation should be enacted to protect producers' information. However, recognizing court interpretation of laws often deviate from the intent of Congress, we strongly believe that enactment of a law should not be the sole tool to protect information from being acquired by other agencies or become subject to a Freedom of Information Act disclosure requirement.

More importantly, we believe a FOIA firewall should exist by the creation of a private data network system that allows all animal information to be maintained outside the control of USDA. Should NAIS ever become mandatory, it is expected that animal data will be stored on a minimum of 60 million cattle owned by at least 1 million cattle producers in the early implementation of the system. Obviously, should state and federal animal health agencies have access to this information, a dangerous situation will exist for producers. Knowing a private data management system can and should provide these animal health agencies with immediate access at any time of the day or night, we plead with USDA to keep an open mind to this concept.

- The NAIS as planned would require States, producers, and other participating entities to provide information and develop and maintain records. How could we best minimize the burden associated with these requirements? For example, should both the seller and the buyer of a specific group of animals report the movement of the animals, or is reporting by one party adequate?

TSCRA supports the current guidelines outlined in the NAIS that require a movement to be recorded upon delivery of cattle to the receiving premises. We also acknowledge that a dual entry approach for both shipping and receiving entities will ensure a greater accuracy of data entered into a system. In the early stages of NAIS implementation, a primary objective of movement reporting should be to make the process as user friendly as possible. Moreover, utilizing the various data entry methods will be a learning process for producers, especially those learning to utilize technologies available for this purpose. We would expect, as industry participants become increasingly familiar and comfortable with the various movement recording methods, USDA could reevaluate whether or not a “double entry” requirement is necessary in the future. We fear that a double entry requirement in the early stages of implementation would create ill will for NAIS, thus limiting participation.

- APHIS is requesting comment from stakeholders regarding the utility of a privately managed database for holding animal location and movement information. Among the issues you may wish to comment on are the following: 1) How should a private database system be funded? 2) Should the NAIS allow for multiple privately managed databases? 3) Should a public (government) system be made available as well as a privately managed system so that producers would have choice? 4) Should a privately managed system include all species? 5) Would either system work equally well at the state level?
 - 1) TSCRA acknowledges that if a private sector animal data management network system is recognized and utilized by USDA then the private sector should fund the operation of the system. However, TSCRA will continue to strongly urge Congress and the Administration to fund various components of the NAIS. A very significant infrastructure of hardware and software components will need to be installed around the nation in the effort to equip state animal health agencies and collection points with the tools to register premises, scan RFID devices and report movements. We will continue to strongly urge federal funding to implement these important components of NAIS.
 - 2) TSCRA believes a single private network system should exist that allows an unlimited number of qualified private companies to offer movement recording services to producers and feed such movement information to this system.
 - 3) TSCRA believes that government should not offer a system that competes with a private sector network system. We believe that a private system can and should allow producers who do not wish to use a private company to be able to enter movement information at no cost.
 - 4) TSCRA believes a privately managed network system should accommodate all species covered by NAIS.
 - 5) With a miniscule amount of funds available to most state animal health agencies, we do not believe states will be able offer an animal database system as efficiently and effectively as a private animal database network. Many producers have an innate skepticism about providing information to state and federal animal health authorities; therefore we believe the private database network system will work better for both the nation’s animal health authorities and producers alike.

X. Conclusion

TSCRA commends APHIS for providing the industry the opportunity to comment on an issue that will arguably have one of the most significant impacts on the Southwestern cattle industry since the eradication of the screwworm or the brucellosis eradication program. There remain several challenges that must be addressed before the NAIS can be implemented in a way that does not place a significant economic burden on producers and the industry's handling and processing infrastructure. This potential burden could not only come in the form of slowing the rate of flow of livestock through our infrastructure (markets, order buying operations, etc.), but would also cost producers in the form of excessive stress, shrink and injury. We strongly urge USDA to take our comments seriously and work with the industry to develop a partnership with the goal of utilizing each other's strengths and resources to implement a system that provides the industry an effective tool to better manage the nation's cow herd and our animal health officials with the best disease surveillance system possible.